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Montana. Dept. of
State Lands and
Investments
Biennial report
for the period
beginning July 1
... and ending

MAR 20 1966

MONTANA



Department of State Lands and Investments

BIENNIAL REPORT

For Period Beginning July 1, 1964 to June 30, 1966

MONS L. TEIGEN

Commissioner of Lands and Investments

GARETH MOON, State Forester

2705 Spurgin Road, Missoula, Montana



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MONTANA



Department of State Lands and Investments

STATE BOARD OF LAND COMMISSIONERS

HON. TIM BABCOCK—Governor, President of the Board

HON. HARRIET E. MILLER—Superintendent of Public Instruction, Vice President

HON. FRANK MURRAY—Secretary of State, Member

HON. FORREST H. ANDERSON—Attorney General, Member

BIENNIAL REPORT

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**STATE OF MONTANA
BIENNIAL REPORT OF
DEPARTMENT OF STATE LANDS AND INVESTMENTS**

Helena, Montana, October 1, 1966

To His Excellency, The Governor, and
Members of the Fortieth Legislative
Assembly of the State of Montana.

In accordance with Section 81-206, Revised Codes of Montana, 1947, I herewith submit the Biennial Report of the Department of State Lands and Investments for the period July 1, 1964, through June 30, 1966. The report contains an account of all moneys received from all sources during the period, and the distribution thereof to the appropriate funds. The report shows what disposition has been made of the lands originally granted to the State of Montana, as well as the income therefrom. Also included are comparative statements showing the growth in income of this department since 1896.

Respectfully submitted,
MONS L. TEIGEN
Commissioner of State Lands and Investments

OFFICERS OF DEPARTMENTS OF STATE LANDS AND INVESTMENTS FROM JULY 1, 1927 TO JUNE 30, 1966

YEAR	STATE BOARD OF LAND COMMISSIONERS				Commissioner State Lands & Investments	Chief Field Agent	State Forester
	Governor	Supt. Public Inst.	Sec'y of State	Atty. General			
1927-1928	J. E. Erickson	May Trumper	(William Powers (J. W. Mountjoy	L. A. Foot	I. M. Brandjord	L. E. Choquette	Rutledge Parker
1928-1932	J. E. Erickson	Elizabeth Ireland	W. E. Harmon	L. A. Foot	I. M. Brandjord	L. E. Choquette	Rutledge Parker
1932-1936	F. H. Cooney	Elizabeth Ireland	Sam W. Mitchell	Raymond Nagle	I. M. Brandjord	L. E. Choquette	Rutledge Parker
1936-1937	Elmer Holt	Elizabeth Ireland	Sam W. Mitchell	(Raymond Nagle (Enor K. Matson	I. M. Brandjord	L. E. Choquette	Rutledge Parker
1937-1941	Roy E. Ayers	Ruth Reardon	Sam W. Mitchell	H. J. Freebourn	N. B. Sherlock	H. E. Biering	Rutledge Parker
1941-1942	Sam C. Ford	Elizabeth Ireland	Sam W. Mitchell	(John W. Bonner (H. Gullickson	J. W. Walker	W. J. Burton	Rutledge Parker
1942-1943	Sam C. Ford	Elizabeth Ireland	Sam W. Mitchell	(H. Gullickson (R. V. Bottomly	J. W. Walker	W. J. Burton	Rutledge Parker
1943-1948	Sam C. Ford	Elizabeth Ireland	Sam W. Mitchell	R. V. Bottomly	J. W. Walker	W. J. Burton	Rutledge Parker
1948-1949	John W. Bonner	Mary M. Condon	Sam W. Mitchell	Arnold H. Olsen	W. P. Pilgeram	H. C. Biering	Rutledge Parker
1949-1952	John W. Bonner	Mary M. Condon	Sam W. Mitchell	Arnold H. Olsen	W. P. Pilgeram	J. B. Bourassa	Rutledge Parker
1952-1953	J. Hugo Aronson	Mary M. Condon	Sam W. Mitchell	Arnold H. Olsen	Lou E. Bretzke	F. L. Sorenson	Rutledge Parker
1953-1954	J. Hugo Aronson	Mary M. Condon	Sam W. Mitchell	Arnold H. Olsen	Lou E. Bretzke	F. L. Sorenson	(Rutledge Parker (Gareth C. Moon
1954-1955	J. Hugo Aronson	Mary M. Condon	Sam W. Mitchell	Arnold H. Olsen	Lou E. Bretzke	F. L. Sorenson	Gareth C. Moon
1955-1956	J. Hugo Aronson	Mary M. Condon	S. C. Arnold	Arnold H. Olsen	Lou E. Bretzke	F. L. Sorenson	Gareth C. Moon
1956-1960	J. Hugo Aronson	Harriet E. Miller	Frank Murray	Forrest Anderson	Lou E. Bretzke	F. L. Sorenson	Gareth C. Moon
1960-1961	Donald Nutter	Harriet E. Miller	Frank Murray	Forrest Anderson	Mons L. Teigen	Harry V. Nichols	Gareth C. Moon
1961-1966	Tim Babcock	Harriet E. Miller	Frank Murray	Forrest Anderson	Mons L. Teigen	Harry V. Nichols	Gareth C. Moon

GENERAL INFORMATION

The Congress of the United States by the Enabling Act approved February 22, 1889, granted to the State of Montana, for common school support, sections sixteen and thirty-six in every township within the State. Some of these sections had been homesteaded, some were included within the boundaries of Indian reservations, others were otherwise disposed of prior to the passage of the Enabling Act. To make up for this loss, and in lieu thereof, other lands were selected by the State. In addition to the common school, the Act, and subsequent Acts, granted acreage for other educational and state institutions. It further provided that all lands granted thereunder could only be disposed of at Public Auction after proper advertising.

All moneys received from the sale of these land constitute Permanent Funds as provided for in the Enabling Act (except lands granted for public buildings). Rentals received from land leases, interest on deferred payments on lands sold, interest on funds derived from land sales and invested in specified securities and all other actual income is made available for the maintenance and support of the public schools and other land grant institutions.

LAND GRANT FUNDS

The Enabling Act specifically provided that all moneys received from the sale of lands belonging to the common school grant, and the other grants heretofore mentioned, together with proceeds from the sale of timber, oil royalties and other minerals should be credited to a permanent fund for each of the land grant institutions. It also provided that permanent funds cannot be used for any other purpose and must forever remain inviolate as the property of each of the land grant funds. The Constitution has limited the investment of these funds to the purchase of general obligation bonds, such as School District, County and Municipal bonds, within the State of Montana, Bonds of the State of Montana or United States Government Bonds. The interest received on such investments is distributed annually with other income to the respective land grant institutions.

The records in this department reflect a growing demand for land and a considerable acreage has been sold from all the land grants in the past. It is interesting to note the increase in permanent funds for each of the land grants from the sale of surface acreage, timber, and mineral royalties.

We give you the following information showing the original grant, the acreage remaining and the fund for each grant as of June 30, 1966:

Fund	Original Grant	Acreage as of June 30, 1966	Fund as of June 30, 1966
Public School.....	5,188,000	4,601,102.14	\$44,977,027.85
State University..... (University of Montana)	46,720	18,161.54	739,938.27
Montana State College—Morrill Grant..... (Montana State University)	90,000	63,257.31	1,173,385.31
Montana State College—Second Grant..... (Montana State University)	50,000	32,408.31	457,970.02
School of Mines..... (School of Mineral Science & Technology)	100,000	59,633.22	1,093,228.25
State Normal School.....	100,000	63,050.00	1,024,333.64
Deaf and Blind Asylum..... (State School for Deaf and Blind)	50,000	36,235.86	493,355.80
State Reform School..... (State Industrial School)	50,000	68,984.01	374,465.04
Public Buildings.....	182,000	187,135.55	72,338.81
Soldiers' Home..... (Veterans' Home)	1,275.61	1,275.61	-----
"Militia Camp" now used as an Agricultural Experiment Station.....	640	640.00	-----
Agricultural and Manual Training School.....	5,000	2,000.00	-----
State Penitentiary.....	9.75	9.75	-----

PUBLIC BUILDINGS GRANT

The Enabling Act placed no restrictions or limitations on the Public Buildings Grant and no Permanent Fund is involved for this grant. All moneys realized from the sale of lands, interest on sales contracts, grazing rentals, agricultural crop share returns, sale of timber and oil royalties are disbursed as they accumulate on improvements to the Capitol Buildings and new construction as needs may require. A considerable acreage of the Capitol or Public Buildings grant is classified as timber land which is managed by the State Forester on a sustained yield basis. The value of the timber sold from this grant during the past two years amounted to \$274,538.52.

As of June 30, 1966 the balance in the Public Buildings Fund with the State Auditor was \$72,338.81.

INTEREST AND INCOME

Interest and Income is defined as the money received for the use of State lands and the permanent funds arising therefrom. This money includes grazing rentals, crop shares, oil lease rentals, interest on land contracts and interest on investments. Before distribution is made of moneys allocated to Public Schools, the law requires that 5% of the total annual income be deducted and credited to the Permanent Fund for Public Schools. Thereafter the Superintendent of Public Instruction divides such income among the counties of the State on the basis of children therein of school age. The County Superintendent of Schools of each county further divides the amount received among the school districts of the county on the same basis. This distribution in 1965 amounted to \$23.87245 per child and in 1966 the amount per child was \$22.881938. Similar income from the other grants is likewise made available as received monthly to assist in defraying operating expenses of the other institutions.

TOTAL ACREAGE OF STATE LAND IN SCHOOL AND INSTITUTION ACCOUNTS, INCLUDING LAND UNDER CONTRACT TO PURCHASE ACREAGE BY CLASSIFICATION

June 30, 1966

Grazing (including 17,864.79 acres of timber land)	4,181,136.42	
Agricultural land under cultivation	487,972.01	
Timber (including 17,864.79 acres of grazing land)	478,724.30	
Lands under Certificate of Purchase	192,345.35	
Special Grants (See UNSOLD LAND ACCOUNT Table)	7,592.71	
TOTAL ACREAGE	5,347,770.79	
Less duplication of timber land	17,864.79	
TOTAL NET ACREAGE		5,329,906.00
Unsold land account, June 30, 1966	5,137,560.65	
Plus land under Certificate of Purchase	192,345.35	
TOTAL NET ACREAGE, JUNE 30, 1966		5,329,906.00

TOTAL INCOME FROM GRAZING AND AGRICULTURE—ALL FUNDS

	FISCAL YEAR ENDING June 30, 1965	FISCAL YEAR ENDING June 30, 1966
Agriculture	\$1,832,928.33	\$2,096,261.69
Grazing	959,502.65	934,413.79

GROSS INCOME

Gross income includes all money received by this Department for the use of lands remaining in all the grants made to the State of Montana under the Enabling Act. This does not include Permanent Funds. Of all receipts classified as interest and income, approximately 90% belongs to the public schools of the State. Since these funds accumulate over a period of one year, and remain with the State Treasurer until the month of March before distribution to the schools, every effort is made to keep as much as possible invested in short term U. S. Government securities. The amount invested is in excess of \$4,000,000.00 annually and the interest earned thereon is a substantial addition to the amount to be distributed.

TOTAL RECEIPTS FROM ALL SOURCES

The total receipts received from all sources by this Department vary according to crop conditions, the sliding scale grazing rental and the fluctuation interest rate on investments. Little land was sold so income from land sales has declined. The total income includes moneys received from crop shares on approximately 480,000 acres leased for agriculture, grazing rentals, oil lease rentals, royalties, payments on land sales and outstanding land contracts, interest on deferred payments on such contracts together with interest on bond investments. This income is from all land grant funds. We list the annual income from all sources over a period of ten years to show the volume of business transacted by this department.

1957 total receipts	\$6,865,112.33
1958 total receipts	6,376,590.06
1959 total receipts	7,037,782.95
1960 total receipts	8,593,786.39
1961 total receipts	7,826,312.61
1962 total receipts	6,733,027.00
1963 total receipts	8,389,809.13
1964 total receipts	8,654,623.99
1965 total receipts	8,385,694.79
1966 total receipts	8,192,369.24

UNIFORM PLAN FOR INVESTING FUNDS OF THE STATE OF MONTANA STATE DEPARTMENTS, AGENCIES AND INSTITUTIONS

The Land Board for many years has supervised the investment of Permanent Funds belonging to the common school and other State Institutions. In 1953 the Legislative Assembly enacted what is termed a unified investment plan for all State Departments. This law requires the State Board of Land Commissioners to supervise the investment of surplus funds belonging to the Montana Highway Patrol, Hail Insurance Department, Public Employees Retirement Fund, Industrial Accident Reserve Fund, Teachers Retirement Fund and funds belonging to the Fish and Game Department.

FIELD DEPARTMENT

In view of the widespread activities of the field department it is deemed advisable to expand somewhat on some of the duties and problems in connection with their work. The re-appraisal of State lands as to grazing capacity is a continuing function of this department as it must be done at least once during the term of each ten-year lease. Basically, the job entails a physical examination of the land itself by a deputy field agent at which time the vegetative characteristics are noted, the long-term grazing capacity is estimated, a plat is prepared showing physical detail and areas of crop production. At this time, needed range and cultural practices are noted and, if necessary, called to the attention of the lessee. Due to the fact that, in most cases, State land is widely dispersed over the State, much travel is involved in doing this work. The field staff is composed of five men, experienced and trained in many phases of land management and are in a position to advise as to practices that will be profitable to the lessee and the State as well and in turn provide for the perpetuation of the land resource. Whenever abuse of State land is found the lessee's attention is called to the situation and if corrective action is not taken immediately the matter is referred to the State Board of Land Commissioners for possible cancellation as provided by law.

During the past biennium, re-appraisals have been completed for the following counties in accordance with the above:

Beaverhead	Daniels	Powder River
Broadwater	Fallon	Prairie
Carbon	McCone	Sweetgrass
Carter	Park	Wibaux

There is presently under cultivation over 480,000 acres of State land. This land is leased on a crop share basis providing a minimum of $\frac{1}{4}$ of all crops raised to be remitted to the State. As a result of this arrangement the State of Montana is considered a producer as defined under the Federal Agricultural Act. Although almost 2,000 farmers lease land from the State on this basis, the State as a producer must elect to either comply with the program or remain out of the program. As the implications of the program do not affect each individual farmer uniformly, it is sometimes found to be to the individual farmer's advantage to remain out of the program; although for the most part State lessees choose to remain in the program. During calendar 1965 a few operators elected to remain out of the program and several county ASC committees refused to grant a waiver of the offsetting compliance requirement to the State in these instances. As a result of this it was necessary that their decision be appealed to the State ASC committee which resulted in a delay in distribution of farm program payments due the State of Montana for that year. Upon a favorable ruling by the State committee in April, 1966, the payments were authorized to be made which will increase the amount received during 1966 by \$364,000.00. It is hoped that hereafter it will be possible to expedite this procedure in order that the payments earned will be available for distribution at the end of the year. Supervision of this program requires close surveillance of all leases and cooperation with the ASC offices.

As income from agricultural lands is closely tied to crops grown and weather conditions, each tract of agricultural land is inspected just prior to harvest. This makes it possible for the department to obtain an estimate of crop conditions and anticipated income. In order to accomplish this task, additional temporary field agents are employed. Since the inception of this program in 1951 the department has been able to provide more supervision of farm leases, the result being an increase in production from State-owned cropland.

The State law provides that all leases be issued on the basis of competitive bidding and grazing leases on which bids have not been made must be leased at the minimum rental according to the formula adopted by the 1963 Legislature. This called for an animal unit month rental of 32¢ plus two times the average price per pound of beef cattle on the farm in Montana for the previous year. The rental so established is further increased 10¢ per animal unit month for better than the average

quality State land and reduced 10¢ per animal unit month for poorer than average quality. The fee so established in 1966 was 58¢, 68¢ and 78¢. The following table indicates the return from grazing leases and the base fee for each year since the law was enacted; however, it should be made clear that the total rental collected includes the rental from competitive bid leases as well as those on which the formula applies:

TABLE NO. I
TOTAL GRAZING RENTALS AND ANIMAL UNIT FEE

1964	A. 20 head and above 86¢; B. 15 thru 19 head 76¢; C. 14 head and under 66¢;	Total \$1,025,049.96
1965	A. 20 head and above 80¢; B. 15 thru 19 head 70¢; C. 14 head and under 60¢;	Total \$959,502.65
1966	A. 20 head and above 78¢; B. 15 thru 19 head 68¢; C. 14 head and under 58¢;	Total \$912,711.32

PUBLIC LAND LAW REVIEW COMMISSION

The Eighty-eighth Congress enacted several pieces of significant legislation involving public lands. One of these of tremendous importance to the State of Montana was Public Law No. 88-606. This will allow for a review of the public land laws and the regulations incident thereto by a commission composed of both Congressional and lay persons, assisted by a twenty-five member advisory council representing various interests and liaison representatives from each of the states. The State Land Commissioner was appointed to serve as Montana's representative to this Commission.

The Federal Government owns some 770,000,000 acres of land and of this 27,645,553 acres is located in Montana, comprising 29% of the total land area of our State. To administer these lands we are told that there are more than 5,000 individual land laws on the U. S. statute books at this time. Many of these laws were created to fulfill a specific need which need no longer exists and their mere existence tends to complicate sound administration. The Western States with their large areas of Federally owned lands within their boundaries are extremely interested in this study and will be called upon to provide information and specific proposals in need of review to the commission. In order to properly represent the State's interest in connection with the work of the commission, the Governor appointed an advisory group to advise and recommend matters of concern to their varied interests. Due to the fact that the commission was created subsequent to the last session of the Legislature, there were no moneys appropriated to defray the expenses of either this committee or the Governor's representative. In view of the far-reaching implications of this study it is recommended that sufficient funds be appropriated to defray these expenses. Montana's participation in this endeavour is a must even though it may not be possible to revise Federal laws and procedures to the advantage of the State; the mere fact that there is such a study in progress would warrant the State's participation in order that its particular public land problems can be aired before the Commission.

ISLANDS

The department is continuing its study of the ownership of islands in navigable streams throughout the State although such work must be done on a piecemeal basis. It is believed that a considerable acreage is owned by the State in this category although it can not be leased or sold until the islands have been studied and claimed for the State. This would proceed faster if additional funds were available to conduct a detailed survey; however, in the absence of specific funds allocated for this purpose, we must proceed in this manner.

LIEU SELECTIONS

The Department is presently engaged in selecting the remaining acreage due the State of Montana under the original Public School Grant. The remaining acreage unselected is primarily many fractional acreages and some tracts located in unsurveyed areas. The original Grant totaled 5,188,000 acres of which there is approximately 30,000 acres remaining unsatisfied. The Public Domain land available for selection is widely scattered and to balance similar type Public Domain land against the type lost to the State is a slow process under the Acts of Congress.

INVESTMENTS

The Constitutional restrictions placed upon investments for the Montana Trust and Legacy Fund should be removed. As a result of these restrictions, the fund has actually failed to grow in purchasing power as it should have. Admittedly, funds invested in Government securities are fully guaranteed and funds invested in equities are not; however, our economy has made an impressive demonstration of its ability to weather unstabilizing events over the past thirty years. Furthermore, it should be pointed out that downward trends in the market are not as serious for institutional funds such as the Trust and Legacy, in view of its long term nature, as the same type of activity creates with the private Investor.

At the time the Constitution was written, investments in the business community were viewed with some misgiving and Government securities were looked upon as the only properly safe investment for sacred trust funds. Experience in the past few decades has demonstrated the fallacy of this assumption when we find the fund growing but the beneficiaries receiving less than they might in constant dollars of purchasing power. Due to these limitations the Trust and Legacy Fund has been unable to even achieve the rate of return on investments that other State funds have. The Retirement Funds, for example, in their experience with Government guaranteed mortgages and corporate utility bonds have shown that some broadened authority, even without investing in equities, allows for diversification and provides the fund manager alternative investment opportunities which can increase the return.

A proposal was made before the last session of Legislature to submit to the electors of the State an amendment to Section 3, Article XI, and the repeal of Section 8, Article XXI, of the Constitution in order to allow broadened investment authority to be set by law. Although this failed to gain favorable consideration by the Assembly, it is suggested that the matter be reconsidered by the Fortieth Legislative Session. It is also suggested that upon favorable action by the Legislature and the electors, action be taken by the Legislature, in session at that time, setting forth investment criteria and providing for effective administration.

MINERAL

The department has experienced increasing interest in mineral development during the past bienium. A notable example of this is the interest in sub-bituminous and lignite coal deposits in southeastern Montana. In view of this interest the Land Board has rewritten the coal lease form to incorporate certain provisions deemed necessary for strip mining operations. Some of the changes were: a graduated rental and royalty scale, depending upon the age of the lease, the nature of the coal deposit and the type of mining carried on. In addition, the lease called for restoration of the surface following mining operations within the concept of best beneficial use which will be determined by the department in cooperation with the Montana Bureau of Mines and Geology. It is believed that this is sufficient to protect the state's interest insofar as State land is concerned.

With respect to oil and gas leasing the Board has adopted a policy of offering, on their own motion, unleased State lands for oil and gas leasing at the quarterly lease auctions. Previously, only those tracts applied for were offered, and since embarking on this new procedure, 21,807 additional acres have been leased for \$35,696.00, or an average of \$1.60 per acre for the first year of the lease. These are tracts that would have probably gone unleased had we not called them to the attention of the industry in this fashion.

RECOMMENDATIONS

In order to more effectively discharge the duties of this office the following recommendations are submitted for consideration by your office and the 40th Legislative Assembly:

1. The Thirty-ninth Legislative Assembly acted to broaden authority of the Land Board to exchange lands with the Federal Government. It has been found, however, that the restrictions placed upon exchanges as found in Section 81-304, effectively preclude making such exchanges. It is recommended that the Legislature consider removing the six section limitation as to total area to be exchanged in any one year and also remove the requirement that both tracts of land be situated in the same county. Another feature that has been found objectionable is the requirement that present lessees or permittees must be recognized for the continuance of their use by each party to the exchange.
2. Due to the increasing interest in the development of lignite and sub-bituminous coal located in eastern Montana it is recommended that Section 81-502, RCM 1947, be amended to provide that coal leases be issued for a twenty-year term with provision for the renewal to be established by the State Board of Land Commissioners.

TABLE NO. IV
RECEIPTS FOR PERMANENT FUNDS FROM ALL SOURCES DURING FISCAL YEAR JULY 1, 1964 TO JUNE 30, 1965

Montana Institutions Accounts and Funds to Which the Receipts Belong	Land Sales First Payments	Installments on Land Sales (C. P. S.)	5% of Annual School Interest and Income	Timber Sales by State Forester	Rights-of- Way	Oil and Gas Royalties	Coal, Sand and Gravel Royalties, Etc.	Total of These Initial Payments	Repayments on Bonds	Grand Totals										
State University	\$	7,856.10	\$	432.18	32.60	\$	\$	8,320.88	\$	8,320.88										
State University, Morrill		604.55		5,133.20	3,783.60	73.87		9,595.22		9,595.22										
State School for Deaf and Blind		1,250.76		1,347.99	415.50			3,014.25		3,014.25										
State Industrial School		227.11		75.98	150.00			453.09		453.09										
State Normal School		9,093.77		633.76	48.60			9,776.13		9,776.13										
School of Mineral Science and Technology		5,237.44		1,076.76	10.80		590.50	6,915.50		6,915.50										
Veterans Home					162.50			162.50		162.50										
University of Montana		8,296.43			19,595.95			27,892.38		27,892.38										
Public Schools	34,794.51	218,421.68	275,593.66	366,707.56	14,113.41	429,350.76	31,027.67	1,370,009.25		1,370,009.25										
Montana Trust and Legacy Funds									1,110,565.26	1,110,565.26										
Capitol Buildings		5,956.93		126,678.52	1,378.16	293.51	274.70	134,581.82		134,581.82										
TOTALS	\$	34,794.51	\$	256,944.74	\$	275,593.66	\$	502,065.95	\$	39,691.12	\$	429,718.14	\$	31,892.87	\$	1,570,721.02	\$	1,110,565.26	\$	2,687,286.28

TABLE NO. V
RECEIPTS FOR PERMANENT FUNDS FROM ALL SOURCES DURING FISCAL YEAR JULY 1, 1965 TO JUNE 30, 1966

Montana Institutions Accounts and Funds to Which the Receipts Belong	Land Sales First Payments	Installments on Land Sales (C. P. S.)	5% of Annual School Interest and Income	Timber Sales by State Forester	Rights-of- Way	Oil and Gas Royalties	Coal, Sand and Gravel Royalties, Etc.	Total of These Initial Payments	Repayments on Bonds	Grand Totals										
State University	\$	4,493.24	\$	280.56	77.20	\$	161.70	\$	5,012.70	\$										
State University, Morrill	365.00	41.96	.....	12,426.51	1,219.90	45.96	.....	14,099.33	.....	14,099.33							
State School for Deaf and Blind .....	.....	.....	.....	964.53	24.24	.....	261.05	1,249.82	.....	1,249.82					
Satte Industrial School .....	.....	1,563.41	.....	119.16	178.70	.....	.....	1,861.27	.....	1,861.27					
State Normal School .....	.....	3,219.58	.....	1,739.68	495.05	.....	5,454.31	5,454.31	.....	5,454.31						
School of Mineral Science and Technology .....	.....	938.84	.....	4,441.13	.....	.....	549.45	5,929.42	.....	5,929.42					
University of Montana .....	.....	12,773.96	.....	.....	.....	.....	37.50	12,811.46	.....	12,811.46				
Public Schools	9,090.62	240,668.50	270,326.01	233,869.42	25,258.51	569,908.02	43,589.87	1,392,710.95	.....	1,392,710.95									
Montana Trust and Legacy Funds .....	.....	.....	.....	.....	.....	.....	.....	.....	573,553.67	573,553.67		
Capitol Buildings	800.00	15,164.77	.....	147,860.00	1,684.98	1,022.27	1,905.85	168,437.87	.....	168,437.87								
Northern Montana Branch Station .....	.....	.....	.....	.....	734.70	.....	.....	734.70	.....	734.70			
TOTALS.....	\$	10,255.62	\$	278,864.26	\$	270,326.01	\$	401,700.99	\$	28,938.58	\$	570,976.25	\$	46,505.42	\$	1,608,301.83	\$	573,553.67	\$	2,181,855.50

TABLE NO. VI
PERMANENT ASSETS JUNE 30, 1965

Montana Institutions Funds and Accounts to Which the Assets Belong	Value of Unsold Lands at \$10.00 Per Acre	Deferred Payments on Land Sales (C. P. \$)	United States Bonds	City, County, Town and School Dist. Bonds	County Warrants and Cap. Bldg. Bonds	Cash With State Treasurer	TOTALS
State University	\$ 324,063.10	\$ 288,210.29	\$	\$	\$	.....	\$ 612,293.39
State University, Morrill	633,773.10	1,663.50	.....	.....	.....	.....	635,436.60
State School for Deaf and Blind	362,358.60	00.00	.....	.....	.....	.....	362,358.60
State Industrial School	689,840.10	16,978.65	.....	.....	.....	.....	706,818.75
State Normal School	630,500.00	199,500.24	.....	.....	.....	.....	830,000.24
State School of Mineral Science and Technology	596,332.20	45,124.43	.....	.....	.....	.....	641,456.63
Veterans Home	12,756.10	00.00	.....	.....	.....	.....	12,756.10
University of Montana	181,565.80	185,776.73	.....	.....	.....	.....	367,342.53
Public Schools	46,015,804.60	3,727,227.50	.....	.....	.....	.....	49,743,032.40
Childrens Center and P. D. Hospital	656.10	00.00	.....	.....	.....	.....	656.10
Capitol Buildings	1,871,353.50	204,827.25	.....	.....	.....	.....	2,076,180.75
Land Grant Funds in Montana Trust and Legacy .....	.....	.....	42,634,000.00	5,239,694.20	950,000.00	170,307.71	\$ 48,994,001.91
TOTALS	\$ 51,319,023.20	\$ 4,669,308.89	\$ 42,634,000.00	\$ 5,239,694.20	\$ 950,000.00	\$ 170,307.71	\$104,982,334.00

TABLE NO. VII
PERMANENT ASSETS JUNE 30, 1966

Montana Institutions Funds and Accounts to Which the Assets Belong	Value of Unsold Lands at \$10.00 Per Acre	Deferred Payments on Land Sales (C. P. \$)	United States Bonds	City, County, Town and School Dist. Bonds	County Warrants and Cap. Bldg. Bonds	Cash With State Treasurer	TOTALS
State University	\$ 324,063.10	\$ 283,717.05	\$	\$	\$	.....	\$ 607,800.15
State University, Morrill	632,573.10	4,896.54	.....	.....	.....	.....	637,469.64
State School for Deaf and Blind	362,358.60	.....	.....	.....	.....	.....	362,358.60
State Industrial School	689,840.10	15,415.24	.....	.....	.....	.....	705,255.34
State Normal School	630,500.00	196,280.66	.....	.....	.....	.....	826,780.66
State School of Mineral Science and Technology	596,332.20	44,185.59	.....	.....	.....	.....	640,517.79
Veterans Home	12,756.10	.....	.....	.....	.....	.....	12,756.10
University of Montana	181,615.40	160,337.85	.....	.....	.....	.....	341,953.05
Public Schools	46,011,021.40	3,497,746.83	.....	.....	.....	.....	49,508,767.93
Childrens Center and P. D. Hospital	656.10	.....	.....	.....	.....	.....	656.10
Capitol Buildings	1,871,345.26	190,362.48	.....	1,140.53	830,000.00	149,494.65	2,061,707.74
Land Grant Funds in Montana Trust and Legacy .....	.....	.....	49,454,000.00	1,140.53	830,000.00	149,494.65	50,434,635.18
TOTALS	\$ 51,313,061.36	\$ 4,392,941.74	\$ 49,454,000.00	\$ 1,140.53	\$ 830,000.00	\$ 149,494.65	\$106,140,658.28

TABLE NO. VIII
ACCOUNTS CONSTITUTING THE MONTANA TRUST AND LEGACY FUND

	Amount in Fund June 30, 1965	Amount in Fund June 30, 1966
Public School Permanent Fund	\$43,584,316.90	\$44,977,027.85
University of Montana	727,126.81	739,938.27
State University	452,957.32	457,970.02
State University—Morrill	1,159,285.98	1,173,385.31
School of Mineral Science and Technology	1,087,298.83	1,093,228.25
State Normal School	1,018,820.33	1,024,274.64
State School for Deaf and Blind	492,105.98	493,355.80
State Industrial School	372,603.77	374,465.04
Veterans Home	7,936.64	7,936.64
Childrens Center and P. D. Hospital	16,135.94	16,098.15
Ryman E. & S. Library Account	7,500.00	7,500.00
Ryman Fellowship Account	13,758.90	15,271.22
W. W. Dixon Endowment Fund Account	23,170.00	23,170.00
Senator Walsh Endowment Fund Account	5,000.00	5,000.00
Geddes Bequest Fund	2,721.71	2,826.19
State Prison Inmates Fund	5,000.00	5,000.00
University Scholarship and Prizes Fund:		
Abner Memorial	\$1,050.00	\$1,050.00
Bennett Prizes	1,175.00	1,175.00
Bonner Scholarship	6,570.00	6,570.00
C. A. Duniway Scholarship	400.00	400.00
Joyce Memorial	251.00	251.00
Class of 1904	800.00	800.00
C. G. Rochon Scholarship	815.00	740.00
Kellogg Foundation Medical		
Scholarship	1,451.89	1,451.89
Olaf J. Bue Fund	650.00	650.00
Silas R. Thompson Acct.	5,099.91	5,099.91
	18,262.80	18,187.80
TOTAL FUNDS IN MONTANA TRUST AND LEGACY ACCOUNT	\$48,994,001.91	\$50,434,635.18
TOTAL CREDITS IN THE MONT. TRUST AND LEGACY ACCT. JUNE 30, 1966		
Invested in U. S. Government Bonds	\$47,094,000.00	
Invested in Federal Land Bank Bonds	2,360,000.00	
Invested in Capitol Building Improvement Bonds	700,000.00	
Invested in Industrial School Building Bonds	130,000.00	
Invested in School District Bonds	1,140.53	
Cash Balance with State Treasurer	149,494.65	
	\$50,434,635.18	

TABLE NO. IX
RIGHT OF WAY DEEDS TO STATE LANDS
JULY 1, 1964 TO JUNE 30, 1966
D-5142 TO D-5426 INCLUSIVE

Purpose of Right of Way	Number	Acres	Compensation	Fees
State highways, borrow pits, forest, county and private roads	137	1,057.43	\$ 55,756.86	\$ 685.00
Oil and gas pipe lines, power, telephone and telegraph lines	93	347.83	11,634.20	465.00
Small voltage electrification power lines	11	10.51	151.52	55.00
Microwave and substation sites and airport and Government facilities	26	196.97	4,834.86	130.00
Fish and Game public recreation and wildlife conservation and public buildings	3	51.28	1,226.50	15.00
Dams, irrigation ditches and City water systems	13	36.54	2,631.90	65.00
Railroads	2	16.14	403.50	10.00
TOTALS	285	1,716.70	\$ 76,639.34	\$1,425.00

Compensation is credited to the land grant from which the acreage was taken.

A percentage of the charge for right of way across land under C.P. is applied to the contract.

All fees are credited to the general fund for the State of Montana.

TABLE NO. X
MONTANA TRUST & LEGACY PERMANENT FUND
SECURITIES PURCHASED DURING THE FISCAL YEAR
JULY 1, 1964 TO JUNE 30, 1965

Par Value	Type of Security	Interest Rate	Maturity	Book Value
U. S. Government Securities				
\$ 540,000.00	U. S. Treasury Bonds	4.00	8-15-73	\$ 533,756.25
570,000.00	U. S. Treasury Bonds	4.00	10- 1-69	569,287.50
330,000.00	U. S. Treasury Bonds	4.00	10- 1-69	329,484.38
600,000.00	U. S. Treasury Bonds	4.125	11-15-73	597,000.00
170,000.00	U. S. Treasury Bonds	4.25	5-15-85	170,425.00
175,000.00	U. S. Treasury Bonds	4.125	11-15-73	174,234.38
80,000.00	U. S. Treasury Bonds	4.125	11-15-73	79,487.50
State of Montana Securities				
400,000.00	Capitol Building Improvement and Repair Bonds	4.00	6-18-80	400,000.00
\$2,865,000.00	Total			Total \$2,853,675.01

SECURITIES PURCHASED DURING THE FISCAL YEAR
JULY 1, 1965 TO JUNE 30, 1966

Par Value	Type of Security	Interest Rate	Maturity	Book Value
Federal Agency Securities				
\$ 500,000.00	Federal Land Bank	4.375	4-21-75	\$ 498,750.00
325,000.00	Federal Land Bank	4.375	4-21-75	322,156.25
240,000.00	Federal Land Bank	4.50	2-20-74	240,000.00
175,000.00	Federal Land Bank	4.50	2-20-74	175,000.00
200,000.00	Federal Land Bank	4.375	4-21-75	193,125.00
200,000.00	Federal Land Bank	4.375	4-21-75	192,812.50
250,000.00	Federal Land Bank	5.00	2-21-76	249,375.00
65,000.00	Federal Land Bank	5.00	2-21-76	64,969.53
100,000.00	Federal Land Bank	4.50	2-20-74	97,375.00
160,000.00	Federal Land Bank	5.125	4-20-78	160,300.00
145,000.00	Federal Land Bank	5.125	4-20-78	144,637.50
\$2,360,000.00	Total			Total \$2,338,500.78

TABLE NO. XI
MONTANA TRUST & LEGACY PERMANENT FUND
SECURITIES EXCHANGED DURING THE FISCAL YEAR
JULY 1, 1964 TO JUNE 30, 1965

Securities Received	Amount	Securities Traded	Amount	Net Interest Gain
U. S. Treasury Bills, due 9-30-65	\$ 325,000.00			
U. S. Treasury Bonds, 3.375% due 11-15-66	330,000.00			
U. S. Treasury Bonds, 3.625% due 11-15-67	352,000.00			
U. S. Treasury Bonds, 4.00% due 8-15-70	455,000.00			
U. S. Treasury Bonds, 3.875% due 11-15-71	358,000.00			
U. S. Treasury Bonds, 4.00% due 8-15-73	380,000.00			
U. S. Treasury Bonds, 3.875% due 11-15-74	247,000.00	Montana, County, City and School		
U. S. Treasury Bonds, 3.50% due 11-15-80	1,470,000.00	District Bonds, 3.037% average interest rate, various maturities	\$3,917,000.00	
	\$3,917,000.00		\$3,917,000.00	0.34%
U. S. Treasury Bonds, 3.50% due 11-15-98	\$7,000,000.00	U. S. Treasury Bonds, 3.25% due 6-15-83	\$7,000,000.00	0.25%

SECURITIES EXCHANGED DURING THE FISCAL YEAR
JULY 1, 1965 TO JUNE 30, 1966

Securities Received	Amount	Securities Traded	Amount	Net Interest Gain
U. S. Treasury Bonds, 3.50% due 11-15-98	\$ 635,000.00			
U. S. Treasury Bonds, 4.00% due 2-15-93	1,000,000.00	Montana County, City and School		
U. S. Treasury Bonds, 4.125% due 5-15-94	3,400,000.00	District Bonds, 3.74% average interest rate, various maturities	\$5,035,000.00	
	\$5,035,000.00		\$5,035,000.00	0.28%
U. S. Treasury Bonds, 3.50% due 11-15-80	1,400,000.00	U. S. Treasury Bonds, 2.50% due 12-15-72	1,400,000.00	1.00%

The State Land Board feels that exchanges such as those shown above are reasonable and of significant advantage to the State, inasmuch as no loss to the fund was sustained and the action resulted in an increase in income to the various accounts comprising the permanent fund.

TABLE NO. XII
MONTANA TRUST & LEGACY PERMANENT FUND
INVESTMENT PORTFOLIO
JUNE 30, 1966

Par Value	Type of Security	Rate	Maturity
U. S. Treasury Bonds			
\$ 50,000.00	U. S. Treasury Bonds, Series K	2.76	1966 (July)
300,000.00	U. S. Treasury Bonds, Series K	2.76	1967
2,690,000.00	U. S. Treasury Bonds	3.00	1995
13,250,000.00	U. S. Treasury Bonds	3.25	1983
360,000.00	U. S. Treasury Bonds	3.25	1985
330,000.00	U. S. Treasury Bonds	3.375	1966 (Nov.)
2,870,000.00	U. S. Treasury Bonds	3.50	1980
2,650,000.00	U. S. Treasury Bonds	3.50	1990
7,635,000.00	U. S. Treasury Bonds	3.50	1998
352,000.00	U. S. Treasury Bonds	3.625	1967
658,000.00	U. S. Treasury Bonds	3.875	1971
947,000.00	U. S. Treasury Bonds	3.875	1974
1,000,000.00	U. S. Treasury Bonds	4.00	1969
1,455,000.00	U. S. Treasury Bonds	4.00	1970
500,000.00	U. S. Treasury Bonds	4.00	1972 (Feb.)
800,000.00	U. S. Treasury Bonds	4.00	1972 (Aug.)
920,000.00	U. S. Treasury Bonds	4.00	1973
4,070,000.00	U. S. Treasury Bonds	4.00	1980
1,000,000.00	U. S. Treasury Bonds	4.00	1993
937,000.00	U. S. Treasury Bonds	4.125	1973
3,400,000.00	U. S. Treasury Bonds	4.125	1994
170,000.00	U. S. Treasury Bonds	4.25	1985
750,000.00	U. S. Treasury Bonds	4.25	1992
\$47,094,000.00			
Federal Agency Securities			
\$ 1,225,000.00	Federal Land Bank	4.375	4-21-75
515,000.00	Federal Land Bank	4.50	2-20-74
315,000.00	Federal Land Bank	5.00	2-21-76
305,000.00	Federal Land Bank	5.125	4-20-78
\$ 2,360,000.00			
State of Montana School District Bonds			
\$ 1,140.53	Fergus County School District No. 10	3.25	1973
State of Montana Bonds			
\$ 130,000.00	State Industrial School Physical Education Building Bonds	4.00	1974
700,000.00	Capital Improvement and Repair Bonds	4.00	1980
\$ 830,000.00			
\$50,285,140.53	GRAND TOTAL		

TABLE NO. XIII
SUMMARY OF LAND SALES FOR THE YEAR ENDING JUNE 30, 1965

County	ACRES SOLD			Total Acreage	Total Sales Price	Average Price Per Acre
	Public School	Agricultural College Morrill	Public Buildings			
Fergus.....	1,480.00	-----	-----	1,480.00	\$ 19,800.00	-----
Golden Valley.....	640.00	-----	-----	640.00	45,920.00	-----
Hill.....	160.00	-----	-----	160.00	5,360.00	-----
Judith Basin.....	325.00	-----	-----	325.00	9,100.00	-----
Sweet Grass.....	640.00	-----	-----	640.00	16,160.00	-----
Teton.....	373.21	-----	-----	373.21	11,569.51	-----
Toole.....	143.80	-----	-----	143.80	10,785.00	-----
Yellowstone.....	640.00	-----	-----	640.00	47,600.00	-----
TOTALS.....	4,402.01	-----	-----	4,402.01	\$166,294.51	\$ 37.78

TABLE NO. XIV
SUMMARY OF LAND SALES FOR THE YEAR ENDING JUNE 30, 1966

County	ACRES SOLD			Total Acreage	Total Sales Price	Average Price Per Acre
	Public School	Agricultural College Morrill	Public Buildings			
Daniels.....	200.00	-----	-----	200.00	\$ 5,600.00	-----
Glacier.....	-----	-----	1.02	1.02	1,500.00	-----
Phillips.....	-----	120.00	-----	120.00	3,640.00	-----
Powell.....	840.00	-----	-----	840.00	25,440.00	-----
Sweet Grass.....	39.33	-----	-----	39.33	550.62	-----
TOTALS.....	1,079.33	120.00	1.02	1,200.35	\$ 36,730.62	\$ 30.60

TABLE NO. XV
OPERATION OF UNSOLD LAND ACCOUNT, JULY 1, 1964 TO JUNE 30, 1966

County	Grant	Acres Sold	Acres Cancelled Under C. P.	Acres Reinstated	Acres Acquired	Acres Deeded	Total Additions	Total Deductions
Cascade	Univ.	-----	19.58	-----	-----	-----	19.58	-----
Daniels	School	200.00	-----	-----	-----	-----	-----	200.00
Fergus	School	1,480.00	-----	-----	-----	-----	-----	1,480.00
Glacier	P. B.	1.02	-----	-----	1.02	-----	1.02	1.02
Golden Valley	School	640.00	-----	-----	-----	-----	-----	640.00
Hill	School	160.00	-----	-----	-----	-----	-----	160.00
"	P. B.	-----	182.27	-----	-----	-----	182.27	-----
Judith Basin	School	325.00	-----	-----	-----	-----	-----	325.00
Lewis & Clark	School	-----	879.50	879.50	-----	-----	879.50	879.50
Madison	School	-----	-----	-----	.37	-----	.37	-----
McCone	School	-----	-----	640.00	-----	-----	-----	640.00
Phillips	A. C. I.	120.00	-----	-----	-----	-----	-----	120.00
Powell	School	840.00	-----	-----	-----	-----	-----	840.00
Prairie	School	-----	640.00	-----	-----	-----	640.00	-----
Silver Bow	School	-----	-----	-----	155.54	-----	155.54	-----
Sweet Grass	School	679.33	-----	-----	-----	-----	-----	679.33
Teton	School	373.21	-----	-----	-----	-----	-----	373.21
Toole	School	143.80	-----	-----	-----	-----	-----	143.80
"	P. B.	-----	40.00	40.00	-----	-----	40.00	40.00
Valley	School	-----	35.00	-----	-----	234.53	35.00	234.53
Yellowstone	School	640.00	7.76	7.76	-----	-----	7.76	647.76
TOTALS	-----	5,602.36	1,804.11	1,567.26	156.93	234.53	1,961.04	7,404.15

TABLE NO. XVI (Continued)
LANDS UNSOLD IN EACH GRANT, BY COUNTIES, JUNE 30, 1966

COUNTY	Public School	University	Montana State College	Mont. State College Morrill	School of Mines	State Normal School	Deaf and Blind Asylum	State Reform School	Public Buildings	TOTALS
	46,720 A.	50,000 A.	90,000 A.	100,000 A.	50,000 A.	182,000 A.	50,000 A.	50,000 A.	182,000 A.	
Phillips.....	185,478.05	.....	.....	640.00	.....	.....	.....	.....	.....	186,118.05
Pondera.....	56,410.48	.....	.....	200.00	.....	.....	.....	.....	120.00	56,730.48
Powder River.....	140,324.93	.....	.....	480.00	.....	695.10	.....	.....	.....	141,500.03
Powell.....	56,419.85	156.67	.....	157.69	.....	.....	.....	.....	1,600.00	58,334.21
Prairie.....	71,887.81	.....	.....	.....	.....	.....	.....	.....	.....	71,887.81
Ravalli.....	20,808.51	.....	.....	1,200.00	3,200.00	40.00	.....	.....	5,596.42	30,844.93
Richland.....	80,531.73	.....	.....	.....	.....	.....	.....	.....	604.39	81,136.12
Rosebud.....	18,472.97	.....	.....	.....	.....	.....	.....	.....	1,471.02	19,943.99
Sanders.....	175,471.19	2,213.74	.....	.....	.....	.....	.....	.....	.....	177,684.93
Sheridan.....	47,740.34	.....	.....	.....	.....	40.00	2,107.58	.....	12,913.41	62,801.33
Silver Bow.....	45,847.15	.....	.....	.....	.....	.....	.....	.....	.....	45,847.15
Stillwater.....	13,264.07	.....	.....	.....	.....	.....	.....	.....	.....	13,264.07
Sweet Grass.....	45,095.73	.....	.....	.....	.....	.....	.....	.....	.....	45,095.73
Teton.....	47,077.32	.....	.....	.....	.....	.....	.....	.....	.....	47,077.32
Toole.....	73,550.05	.....	.....	2,130.24	2,707.46	3,457.07	.....	240.00	21,961.37	104,046.19
Treasure.....	78,496.12	.....	.....	.....	40.00	.....	.....	.....	21,143.17	99,679.29
Valley.....	36,883.78	480.00	.....	.....	.....	.....	.....	.....	.....	37,363.78
Wheatland.....	207,334.37	.....	.....	.....	.....	1,033.92	.....	.....	.....	208,368.29
Wibaux.....	64,391.44	1,280.00	.....	.....	.....	1,120.00	3,659.96	2,326.48	.....	72,777.88
Yellowstone.....	32,670.31	.....	.....	.....	.....	.....	.....	.....	.....	32,670.31
TOTALS.....	79,447.27	18,161.54	32,408.31	63,257.31	59,633.22	63,050.00	36,235.86	68,984.01	187,135.55	79,447.27
	4,601,102.14									5,129,967.94

SPECIAL GRANTS

Militia Camp (Gallatin Co.).....	640.00
Northern Montana Training School and Agricultural Experiment Station (Hill Co.).....	2,000.00
Lewis and Clark Cavern (Jefferson Co.).....	2,728.88
University Biological Station (Lake Co.).....	204.24
University Observatory (Missoula Co.).....	480.00
Orphans' Home and Tuberculosis Sanitarium (Pt. Sec. 21 & 22-25-20E, Stillwater Co.).....	162.00
Soldiers' Home (Fergus Co.).....	1,275.61
General Fund (Pt. Sec. 8-28N-21W, Flathead Co.; Pt. Sec. 12-19N-3E, Cascade Co.).....	26.62
State Penitentiary (Powell County).....	9.75

GRAND TOTAL..... 5,137,560.65

7,592.71

TABLE NO. XVII

ANNUAL APPORTIONMENT OF THE INCOME FROM THE PUBLIC SCHOOL PERMANENT FUNDS
AND OTHER SOURCES TO THE SCHOOL DISTRICTS OF THE STATE

Year in Which Apportioned	Total Income	Less 5 % Added to Permanent Fund	Amount Apportioned	No. of School Age Persons	Amount Per Capita
1889 to 1896.....	\$	\$	\$ 51,027.60	39,252	\$ 1.30
1897.....	.....	.....	17,731.56	42,218	.42
1898.....	.....	.....	28,630.98	46,179	.62
1899.....	.....	.....	41,561.52	49,478	.84
1900.....	.....	.....	80,428.50	53,619	1.50
1901.....	.....	.....	105,842.20	57,212	1.85
1902.....	.....	.....	138,905.00	61,736	2.25
1903.....	.....	.....	168,019.80	64,623	2.60
1904.....	.....	.....	169,786.65	66,583	2.55
1905.....	.....	.....	183,366.75	69,195	2.65
1906.....	.....	.....	205,360.60	70,814	2.90
1907.....	.....	.....	217,494.00	72,498	3.00
1908.....	.....	.....	227,071.90	73,249	3.10
1909.....	.....	.....	250,380.00	77,040	3.25
1910.....	.....	.....	306,793.75	81,545	3.75
1911.....	.....	.....	266,415.00	88,805	3.00
1912.....	.....	.....	345,404.50	98,687	3.50
1913.....	.....	.....	419,096.00	104,774	4.00
1914.....	.....	.....	513,144.00	114,032	4.50
1915.....	.....	.....	632,085.00	126,417	5.00
1916.....	.....	.....	713,291.25	135,865	5.25
1917.....	.....	.....	810,991.50	147,453	5.50
1918.....	.....	.....	877,536.00	159,552	5.50
1919.....	.....	.....	890,873.50	161,977	5.50
1920.....	.....	.....	969,756.00	161,625	6.00
1921.....	.....	.....	954,418.20	156,426	6.10
1922.....	.....	.....	785,082.90	160,211	4.90
1923.....	.....	.....	936,794.40	160,410	5.84
1924.....	.....	.....	892,363.54	157,745	5.67
1925.....	861,278.56	43,063.93	818,214.63	157,872	5.18
1926.....	1,252,595.83	62,629.79	1,189,966.04	156,383	7.61
1927.....	1,365,181.09	68,259.05	1,296,922.04	154,458	8.3966
1928.....	1,233,910.50	61,695.53	1,172,090.55	152,119	7.70509
1929.....	1,340,903.71	67,045.19	1,273,858.52	157,747	8.07532
1930.....	1,426,973.50	71,348.68	1,355,624.82	160,846	8.42809
1931.....	1,143,847.76	57,192.39	1,086,655.37	160,836	6.75629
1932.....	878,693.71	43,934.69	834,759.02	161,372	5.17288
1933.....	744,133.56	37,206.68	706,926.88	161,909	4.36619
1934.....	832,656.52	41,632.83	791,023.69	162,099	4.87988
1935.....	1,045,713.87	52,285.69	993,428.18	162,807	6.10187
1936.....	1,058,184.61	52,909.23	1,005,275.38	163,053	6.16532
1937.....	882,322.17	44,116.11	838,206.06	163,286	5.13361
1938.....	847,371.91	42,368.60	805,003.31	160,204	5.02486
1939.....	930,451.92	46,522.60	883,929.32	156,228	5.65794
1940.....	909,912.64	45,495.63	864,417.01	154,898	5.58055
1941.....	931,186.34	46,567.00	884,618.34	154,226	5.73586
1942.....	1,459,171.69	72,958.58	1,386,213.11	149,666	9.26204
1943.....	1,049,062.14	52,453.11	970,825.62	143,370	6.77146
1944.....	1,352,644.88	67,632.24	1,285,012.64	136,489	9.41477
1945.....	1,460,473.54	73,023.68	1,387,449.86	134,608	10.30733
1946.....	1,351,689.87	67,584.49	1,284,105.38	133,789	9.59798
1947.....	1,489,901.69	74,495.08	1,415,406.61	135,637	10.43511
1948.....	1,517,961.90	75,898.10	1,442,063.80	137,203	10.51053
1949.....	2,226,013.49	111,300.62	2,114,711.87	139,846	15.1217
1950.....	1,547,748.55	77,387.43	1,470,361.12	143,852	10.2213
1951.....	2,059,704.93	102,985.25	1,956,719.68	145,806	13.42
1952.....	2,912,058.78	145,602.94	2,766,455.84	146,716	18.85
1953.....	8,727,792.82	436,389.64	8,291,403.18	150,072	55.24
1954.....	4,609,604.57	230,480.23	4,379,124.34	156,309	28.01
1955.....	4,460,545.45	223,027.27	4,237,518.18	162,589	26.06
1956.....	4,618,471.58	230,923.58	4,387,548.00	169,203	25.93
1957.....	4,351,095.88	217,554.79	4,133,541.09	175,911	23.49
1958.....	3,932,978.35	196,648.91	3,736,329.44	180,177	20.74
1959.....	3,691,295.08	184,564.75	3,506,730.33	186,433	18.8096
1960.....	4,041,403.90	202,070.20	3,839,333.70	192,981	19.8949
1961.....	4,115,221.62	205,761.08	3,909,460.54	199,975	19.549746
1962.....	4,467,610.44	223,380.52	4,244,229.92	205,729	20.6302
1963.....	4,758,702.46	237,935.12	4,520,767.34	211,669	21.3577
1964.....	5,171,321.18	258,566.06	4,912,755.12	215,216	22.82709
1965.....	5,511,873.26	275,593.66	5,236,279.60	219,344	23.87245
1966.....	5,406,520.28	270,326.01	5,136,194.27	224,465	22.881938

TABLE NO. XVIII

**RECEIPTS OF THE PUBLIC SCHOOL INTEREST AND INCOME ACCOUNT APPORTIONED TO THE
COUNTIES OF THE STATE PER CENSUS PERSON BETWEEN THE AGES OF 6 AND 21 YEARS**

At the end of each calendar year the interest and income credited to the public schools, less 5% statutory deduction apportioned to the permanent school fund, is distributed by the Superintendent of Public Instruction. The amount credited during 1964 was distributed to the various counties of the State during February 1965, as follows:

County	Children Under 6	Census 6-21	Interest & Income Payment*
Beaverhead.....	902	1,864	\$ 44,498.22
Big Horn.....	1,838	4,429	105,731.10
Blaine.....	1,224	2,805	66,962.24
Broadwater.....	319	896	21,389.73
Carbon.....	726	2,328	55,575.08
Carter.....	257	664	15,851.33
Cascade.....	12,245	23,941	571,530.35
Chouteau.....	760	2,402	57,341.64
Custer.....	2,096	5,407	129,078.36
Daniels.....	408	1,154	27,548.82
Dawson.....	1,768	3,965	94,654.28
Deer Lodge.....	1,582	4,608	110,004.27
Fallon.....	531	1,416	33,803.41
Fergus.....	1,742	4,448	106,184.68
Flathead.....	4,348	11,377	271,596.88
Gallatin.....	3,321	7,712	184,104.35
Garfield.....	231	602	14,371.23
Glacier.....	2,314	5,101	121,773.39
Golden Valley.....	75	352	8,403.12
Granite.....	267	871	20,792.92
Hill.....	2,514	5,790	138,221.51
Jefferson.....	452	1,299	31,010.33
Judith Basin.....	307	857	20,458.70
Lake.....	1,778	4,872	116,306.59
Lewis and Clark.....	3,940	9,152	218,480.68
Liberty.....	365	916	21,867.18
Lincoln.....	1,923	4,387	104,728.45
Madison.....	442	1,477	35,259.62
McCone.....	409	1,048	25,018.34
Meagher.....	300	751	17,928.22
Mineral.....	440	1,026	24,493.15
Missoula.....	6,824	14,041	335,193.09
Musselshell.....	403	1,288	30,747.73
Park.....	1,255	3,598	85,893.09
Petroleum.....	77	209	4,989.36
Phillips.....	789	1,848	44,116.30
Pondera.....	775	2,370	56,577.72
Powder River.....	311	810	19,336.70
Powell.....	961	2,385	56,935.81
Prairie.....	229	694	16,567.50
Ravalli.....	1,376	4,032	96,253.73
Richland.....	1,427	3,558	84,938.19
Roosevelt.....	1,893	5,520	131,775.94
Rosebud.....	767	2,059	49,153.39
Sanders.....	877	2,094	49,988.93
Sheridan.....	779	2,101	50,156.03
Silver Bow.....	5,418	13,836	330,299.23
Stillwater.....	497	1,462	34,901.54
Sweet Grass.....	318	871	20,792.92
Teton.....	715	2,251	53,736.91
Toole.....	904	2,324	55,479.59
Treasure.....	138	401	9,572.88
Valley.....	3,472	6,128	146,290.39
Wheatland.....	245	860	20,530.33
Wibaux.....	196	584	13,941.54
Yellowstone.....	10,631	26,103	623,142.59
TOTALS.....	91,101	219,344	\$5,236,279.60

*Distribution per census child (6-21) \$23.87245

TABLE NO. XIX

**RECEIPTS OF THE PUBLIC SCHOOL INTEREST AND INCOME ACCOUNT APPORTIONED TO THE
COUNTIES OF THE STATE PER CENSUS PERSON BETWEEN THE AGES OF 6 AND 21 YEARS**

At the end of each calendar year the interest and income credited to the public schools, less 5% statutory deduction apportioned to the permanent school fund, is distributed by the Superintendent of Public Instruction. The amount credited during 1965 was distributed to the various counties of the State during February 1966, as follows:

County	Children Under 6	Census 6-21	Interest & Income Payment*
Beaverhead.....	882	2,046	\$ 46,816.45
Big Horn.....	1,733	4,165	95,303.27
Blaine.....	1,112	2,747	62,856.68
Broadwater.....	288	874	19,998.81
Carbon.....	706	2,341	53,566.62
Carter.....	248	654	14,964.79
Cascade.....	11,564	24,759	566,533.90
Chouteau.....	714	2,350	53,772.55
Custer.....	1,880	5,866	134,225.45
Daniels.....	384	1,152	26,359.99
Dowson.....	1,609	3,980	91,070.11
Deer Lodge.....	1,487	4,699	107,522.23
Fallon.....	502	1,465	33,522.04
Fergus.....	1,574	4,453	101,893.27
Flathead.....	4,185	11,694	267,581.38
Gallatin.....	3,215	8,050	184,199.60
Garfield.....	228	654	14,964.79
Glacier.....	2,182	5,319	121,709.03
Golden Valley.....	75	353	8,077.33
Gronite.....	321	923	21,120.03
Hill.....	2,271	5,872	134,362.74
Jefferson.....	473	1,345	30,776.21
Judith Basin.....	285	850	19,449.65
Lake.....	1,702	4,766	109,055.32
Lewis and Clark.....	3,834	9,534	218,156.40
Liberty.....	337	894	20,456.45
Lincoln.....	2,005	4,628	105,897.61
Madison.....	416	1,407	32,194.89
McCone.....	440	1,133	25,925.24
Meagher.....	283	721	16,497.88
Mineral.....	477	1,037	23,728.57
Missoula.....	6,868	14,748	337,462.82
Musselshell.....	362	1,296	29,654.99
Park.....	1,151	3,508	80,269.84
Petroleum.....	93	231	5,285.73
Phillips.....	667	1,897	43,407.04
Pondera.....	882	2,731	62,490.57
Powder River.....	288	800	18,305.55
Powell.....	896	2,362	54,047.14
Prairie.....	236	694	15,880.07
Ravalli.....	1,327	4,215	96,447.37
Richland.....	1,266	3,548	81,185.12
Roosevelt.....	1,750	5,280	120,816.64
Rosebud.....	760	2,033	46,518.98
Sanders.....	828	2,113	48,349.53
Sheridan.....	767	2,091	47,846.14
Silver Bow.....	5,386	14,066	321,857.34
Stillwater.....	496	1,481	33,888.15
Sweet Grass.....	301	857	19,609.82
Tetan.....	742	2,268	51,896.24
Toole.....	928	2,339	53,520.85
Treasure.....	134	380	8,695.14
Valley.....	3,227	6,151	140,746.80
Wheatland.....	240	872	19,953.05
Wibaux.....	197	556	12,722.36
Yellowstone.....	10,126	27,217	622,777.71
TOTALS.....	87,330	224,465	\$5,136,194.27

*Distribution per census child (6-21) \$22,881.938

MINERAL DEPARTMENT
OIL AND GAS
Producing Leases in effect, June 30, 1966

	Individual Leases	Unit Plans of Operation	Un-Unitized Secondary Recovery
Oil Leases	18,248.97 Acres	5,273.42 Acres	480 Acres
Gas Leases	9,994.40 Acres	15,310.00 Acres	None
TOTAL ACRES IN PRODUCTION			49,306.79

Number of Leases in effect, June 30, 1960 through June 30, 1966

June 30, 1960.....	1161	475,638.34 Acres
June 30, 1962.....	1164	491,945.94 "
June 30, 1964.....	1404	614,557.11 "
June 30, 1966.....	1480	617,927.45 "

INDIVIDUAL LEASE SALES

July 1, 1964 through June 30, 1965

Date	No.	Acres	Returns
September 1964.....	84	40,365.03	\$ 45,263.84
December 1964.....	73	32,462.83	128,003.09
March 1965.....	106	48,350.38	137,620.34
June 1965.....	112	47,348.65	81,828.29
TOTAL	375	168,526.89	\$392,715.56

July 1, 1965 through June 30, 1966

September 1965.....	77	27,477.70	\$ 41,646.48
November 1965.....	86	40,707.89	64,957.43
March 1966.....	197	86,058.92	193,374.62
May 1966.....	47	20,201.75	32,461.75
TOTAL	407	174,446.26	\$332,440.28
Total for Biennium	782	342,973.15	\$725,155.84

TOTAL REVENUE—TABLE NO. XX

	Rentals	Bonuses	Penalties	Totals
July 1, 1964 to June 30, 1965	\$626,011.07	\$238,838.59	\$231,155.66	\$1,096,005.32
July 1, 1965 to June 30, 1966	612,885.49	156,675.72	249,982.88	1,019,544.09
July 1, 1964 to June 30, 1965.....		ROYALTIES		\$ 429,718.14
July 1, 1965 to June 30, 1966.....		ROYALTIES		570,976.25
TOTAL INCOME 1964-1966 Biennium				\$3,116,243.80

BENTONITE LEASES**In effect June 30, 1966****BY GRANT:**

	No.	Acres
Public School	12	24,164.68

BY COUNTY:

Blaine	1,293.04
Carbon	640.00
Carter	1,280.00
Judith Basin	4,238.41
Phillips and Valley	15,513.23
Rosebud	1,200.00

REVENUE:

July 1, 1964 to June 30, 1965	Rentals	\$ 800.00
July 1, 1965 to June 30, 1966	Rentals	\$1,280.76

COAL LEASES**In effect June 30, 1966****BY GRANT:**

	No.	Acres
Public School	30	16,427.38

BY COUNTY:

Big Horn	14	6,291.94
Custer	2	1,280.00
Musselshell	1	160.00
Powder River	6	3,946.04
Rosebud	6	3,680.00
Wibaux	2	1,069.40
TOTALS	30	16,427.38

COAL LEASE SALE

	Tracts	Acres	Payments
May 27, 1966	21	11,911.34	\$5,356.51

COAL REVENUE:

June 1, 1964 to June 30, 1965	Rentals	\$ 570.00
	(Partly absorbed as royalty)	
	Royalties	\$1,203.85
July 1, 1965 to June 30, 1966	Rentals	\$6,566.46
	(Partly absorbed as royalty)	
	Royalties	\$1,187.18

1 lease in production.

METALLIFEROUS LEASES

	No.	Acres	Counties
Gold and Silver (Lode)	1	160	Beaverhead
Gold and Silver (Lode)	1	40	Lewis and Clark
Gold and Silver (Placer)	1	10	Missoula
Thorium	1	1,122.25	Beaverhead

REVENUE

July 1, 1964 to June 30, 1965	Rental	\$1,130.00
July 1, 1965 to June 30, 1966	Rental	\$1,130.00
	No Production	

NON-METALLIFEROUS LEASES**In effect June 30, 1966**

	No.	Acres	Counties
PHOSPHATE	2	320	Granite

REVENUE:

July 1, 1964 to June 30, 1965	Rental	\$ 600.00
	No production	
July 1, 1965 to June 30, 1966	Rental	\$ 600.00
	Royalty	\$16,587.40

	No.	Acres	Counties
BARITE	1	320	Missoula

REVENUE:

July 1, 1964 to June 30, 1965	Rental	\$ 320.00
	(Absorbed as royalty)	
	Royalty	\$2,502.11
July 1, 1965 to June 30, 1966	Rental	\$ 320.00
	Royalty	\$4,485.05

Lease voluntarily cancelled September 14, 1965, with recommendation of the State Bureau of Mines. Royalties since September are from stockpile.

MISCELLANEOUS NON-METALLIFEROUS LEASES

	No.	Acres	Counties
Peat Moss	1	601.60	Beaverhead
Quartz	1	80	Missoula
Talc	1	60	Beaverhead
Granite	1	640	Broadwater

REVENUE:

July 1, 1964 to June 30, 1965	Rental	\$ 150.00
July 1, 1965 to June 30, 1966	Rental	\$1,025.00
	No production	

